

FINANCE COMMITTEE NOTES
Tuesday, December 11, 2012
Bidder's Room

Meeting commenced at 11:30 a.m.

ATTENDEES

Committee Members: Councilmember Randy Nelson, Chairman; Councilmember H. Cary, III; Councilmember Joan Foster; Mayor Michael A. Gillette, Ex-Officio

Others: Kim Payne, City Manager; Bonnie Svrcek, Deputy City Manager; Donna Witt, Director of Financial Services; Rhonda Allbeck, Assistant Director of Financial Services; Megan Palmer, Assistant to the Director of Financial Services

GENERAL BUSINESS

1. Report on the General Fund Reserve for Contingencies

Donna reported one item for the City Manager's Discretionary Funding of \$42,000 in issuance costs related to refunding the bond for the Human Services building will be taken to full Council for consideration at tonight's meeting.

2. Review highlights of attached quarterly financial reports for the Regional Airport, Lynchburg Regional Juvenile Detention Center, Comprehensive Services Act, Water Operating, Sewer Operating, Stormwater Operating, and General Funds as well as the Greater Lynchburg Transit Company (GLTC) for the quarter ending September 30, 2012.

GLTC: Karen Walton reported revenues are on track and actually up slightly compared to FY 2012 prior to reductions in service. Expenditures are down 12% over last year with overtime and para transit continuing to be hard expenses to control.

Airport: Mark Courtney reported revenues have increased slightly by 2.6% overall. Expenses have increased slightly due to non-recurring maintenance projects. The FY 2013 subsidy is projected to be \$40,362 less than budgeted.

Lynchburg Regional Juvenile Detention Center: Tamara Rosser reported revenues and expenditures are in line with budget. The Detention Center is averaging serving about 1 less juvenile than last year.

Comprehensive Services Act (CSA): Tamara Rosser reported revenues and expenditures appear in line with budget but a lot has not hit the 1st quarter. The department is serving about 160 kids compared to 115 kids in FY 2012.

Water: Greg Poff reported the Water Fund revenues are slightly up due to construction. Expenses are slightly down due to deferring maintenance, filling a position at entry level or not filling a position, and chemical savings. Overall, the Water Fund numbers are within the financial policy targets.

Sewer: Greg Poff reported the Sewer Fund revenues are slightly up due to construction. Expenses are slightly down due to deferring maintenance, filling a position at entry level or not filling a position, and chemical savings. Overall, the Sewer Fund numbers are within the financial policy targets.

Stormwater: Greg Poff reported the Stormwater Fund started in July and revenues are higher than projected due to conservative budgeting and a having a 98% collection rate compared to the projected 95% collection rate. Expenses are below projected 1st quarter budgeted amounts due to less collection efforts.

General Fund: Donna Witt reported the General Fund is doing well. Real Estate Tax has not yet billed and most revenues are only reporting one or two months however most large revenues tracked with or better than budgeted due to conservative projections. Expenditures are on track with budget projections. The General Fund is in good shape for the 1st quarter.

3. Consider a request to Adopt a resolution to amend the FY 2013 City/Federal/State Aid Fund budget and appropriate \$40,560 with resources of \$20,280 from the Bulletproof Vest Partnership 2012 Grant Program and \$20,280 of match transferred from the General Fund Police Department (\$18,720) and Sheriff's Office (\$1,560) budgets to purchase 52 replacement bulletproof vests for law enforcement officers.

This item will be taken to full Council for consideration on January 8, 2013.

4. Consider a request to adopt resolutions authorizing the City to refund the Series 2003 Bond from the proceeds of a General Obligation Refunding Bond, Series 2012 to be issued by the City and to pay all issuance costs.

This item will be taken to full Council for consideration on December 11, 2012.

5. Review collections received from five of the City's largest revenue sources. *This report will be provided to Finance Committee at the Tuesday meeting.*

Donna reported Sales and Use Tax is up, likely due to students returning to the area. Consumer Utility Tax is still down due to a mild winter. Communications Sales and Use Tax is not meeting projections despite the State's promise that funding would be level after the State began to manage collection of this tax; this issue seems to be statewide. Meals and Lodging Taxes are doing better than anticipated primarily due to conservative budgeting.

6. Roll Call

OTHER INFORMATION

Police Department:

A resolution to amend the FY 2013 City/Federal/State Aid Fund budget and appropriate \$16,555 with resources from the 2012 State Homeland Security Program (SHSP) Grant to purchase one license plate reader (LPR) for criminal law enforcement use only.

This item will be taken to full Council for consideration on January 8, 2013.

Fire Department:

A resolution to amend the FY 2013 City/Federal/State Aid Fund budget and appropriate \$25,000 with resources from the 2012 State Homeland Security Program (SHSP) grant from the National Preparedness Directorate, U.S. Department of Homeland Security (DHS) for the Lynchburg Fire Department's Technical Rescue Team's Equipment, Training, and Exercise Project.

This item will be taken to full Council for consideration on January 8, 2013.

Department of Juvenile Services:

A resolution to amend the FY 2013 City/Federal/State Aid Fund budget and appropriate \$139,332 with resources from the Virginia Commonwealth University (VCU) Strategic Prevention Framework State Incentive Grant (SPF-SIG) to help reduce the number of alcohol-related vehicle crashes involving drivers who are between 15 and 24 years of age.

This item will be taken to full Council for consideration on January 8, 2013.

Department of Financial Services:

Lynchburg Baseball Corp. provided their year-end Financial Statements for Council review.

Meeting adjourned at 12:37 p.m.

The next Finance Committee meeting is Tuesday, January 22, 2013, at 11:30 a.m.